

1 JOHN D. MUNDING
2 CRUMB & MUNDING, P.S.
3 The Davenport Tower, PH 2290
4 111 S. Post Street
5 Spokane, WA 99201
6 509-624-6464
7 munding@crumb-munding.com

8 Attorneys for Defendant.

9
10 UNITED STATES BANKRUPTCY COURT
11 EASTERN DISTRICT OF WASHINGTON AT SPOKANE
12

13 In re

14 MARK ATHONY WILLIAMS, JR.
15 fdba TEXAS AUTO SALES nka
16 ALPINE MOTORS,

17
18 Debtor.

Chapter 7

CASE NO:10-01572-PCW7

**LIMITED RESPONSE AND
OBJECTION TO TRUSTEE'S
MOTION TO SELL PROPERTY
(DOCKET NO. 30 – 32)**

19
20 **I. RESPONSE**

21 The Debtor, Mark A. Williams, hereby responds to and objects to the Trustee's
22 Motion to Sell Property on a limited basis. The Debtor claims an exemption in such
23 property, but also recognizes the Trustee's statutory ability to sell property subject to
24
25
26

LIMITED RESPONSE AND OBJECTION TO TRUSTEE'S
MOTION TO SELL PROPERTY - 1

CRUMB & MUNDING, P.S.
THE DAVENPORT TOWER
111 S. POST STREET, PH 2290
SPOKANE, WA 99201
(509) 624-6464
FAX (509) 624-6155

1 claims and exemptions. The Debtor opposes the present proposed sale on the
2 following basis.

3 4 **II. BASIS OF OBJECTION**

5 1. The Debtor contends and believes he was and is the sole owner of 100% of the
6 common stock ARI.

7
8 2. During the period of operation, ARI has incurred certain tax liabilities that
9 remain due and owing to the Internal Revenue Service/Department of Treasury,
10 including 941 taxes.

11
12 3. Federal Law requires employees to withhold taxes from employee's paychecks.
13 Failing to make such payment results in penalties and interest, including responsible
14 party liability beyond the corporate level.

15
16 4. The Trustee's Notice of Motion fails to address "successor liability" for tax
17 obligation of the corporation. Is the new purchaser assuming this ongoing tax
18 liability? Will the sale of stock by a Trustee in this manner relieve responsibility of
19 the Debtor as a responsible person for tax obligations assumed as part of the sale?
20

21 5. If the tax obligations are being assumed with purchase of control of ARI and
22 the Debtor is relieved of personal liability, the Debtor does not oppose the Motion.

23
24 6. The proposed purchaser is believed to be affiliated with the Plaintiff, Jeffrey
25 Saunders, in the Adversary Proceeding. The underlying claims and such adversary
26

1 proceeding flow from the business activities / ownership of ARI. Plaintiff Jeffrey
2 Saunders's case may be impaired by this proposed sale. Full disclosure of the
3 purchaser's relationship to Saunders is requested.
4

5 III. RELIEF

6 WHEREFORE, the Debtor respectfully requests clarification and full disclosure
7 of all tax implications and assumption of tax liability prior to consenting to purchase.
8

9
10 DATED this 2 day of August, 2010.

11
12 CRUMB & MUNDING, P.S.

13
14
15 
16 JOHN D. MUNDING, WSBA #21734

17 Attorney for Debtor

18 111 S. Post Street, PH 2290

19 The Davenport Tower

20 Spokane, WA 99201

21 Phone: (509) 624-6464

22 Fax: (509) 624-6155

23 p:\files\Williams\2010.024